TAFT'S MESSAGE IS SENT TO CONGRESS

Currency Reform, Waterways, Creation of Body to Deal With Interstate Commerce and Other Topics Handled.

Government Expenditures and Revenues a Most Important Question -Relations with Other Nations, Nicaragua Excepted, Are Declared To Be Generally Satisfactory.

to-day transmitted to congress a message substantially as follows: To the Senate and House of Repre-

The relations of the United States with all foreign governments have continue upon the normal basis of amity and goo nderstanding, and are very generally

Pursuant to the provisions of the general treaty of arbitration concluded between the United States and Great Briain, April 4, 1998, a special agreement was entered into between the two counsion of questions relating to the submis-ies on the North Atlantic coast to a tribu-nal to be formed from members of the permanent court of arbitration at The Hague.

In accordance with the provisions of In accordance with the provisions of the special agreement the printed case of each government was, on October 4 last, submitted to the other and to the arbitral tribunal at The Hague, and the counter case of the United States is now

rse of preparation. in course of preparation.

The American rights under the fisheries article of the treaty of ISIS have been
a cause of difference between the United
States and Great Britain for nearly 70 The interests involved are great importance to the American fishing great importance to the American maning industry, and the final settlement of the controversy will remove a source of con-stant irritation and complaint. This is the first case involving such great in-ternational questions which has been submitted to the permanent court of arbitra-

The president tells of the sending of a commission to investigate the interests of the United States and its citizens in Liberia, the commission's report now being under examination by the department of state.

He also notes the invitation extend ed by the Norwegian government to take part in an international conference next year to devise means to remedy existing conditions in the Spitzbergen islands, and of its acceptance under certain reservations. Men tion is made of several international conferences, and then the president urges that provision be made for American participation in the world's fair at Brussels next year. The questions arising out of the Belgian annexation of the Congo Free State, he says, are in a more hopeful stage.

Latin America.

The message speaks with enthusiasm of the settlement of the boundispute between Bolivia and Peru, and of the fourth Pan-American conference, to be held in Buenos Aires next July. Mention is made of the Argentine republic's great international agricultural exhibition, which is to open in May, 1910, and the president

To-day, more than ever before, American capital is seeking investment in for-eign countries and American products are more and more generally seeking foreign tries there are American citizens and American interests to be protected, American interests to be protected, on occasion, by their government. These movements of men, of capital and of commodities bring peoples and govern-ments closer together and so form bonds of peace and mutual dependency, as they must also naturally sometimes make must also naturally sometimes make passing points of friction. The resultant situation inevitably imposes upon this government vasity increased responsibil-ties. This administration, through the department of state and the foreign service, is lending all proper support to le-gitimate and bepeficial American enter-prises in foreign countries, the degree of such support being measured by the na-tional advantages to be expected. A citizen himself cannot by contract or other-wise divest himself of the right, nor can wise divest himself of the right, nor can this government escape the obligation of his protection in his personal and prop-erty rights when these are unjustly in-fringed in a foreign country. To avoid coaseless vexations it is proper that in considering whether American enterprise considering whether American enterprise should be encouraged or supported in a particular country, the government should give full weight not only to the national, as opposed to the individual benefits to accrue, but also to the fact whether or not the government of the country in question is in its administration and in its diplomacy faithful to the principles of moderation, equity and justice upon which alone depend international credit, in diplomacy as well as in tional credit, in diplomacy as well as it

The Pan-American policy of this government has long been fixed in its principles and remains unchanged. With the changed circumstances of the United States and of the republics to the south of us, most of which have great natural of us, most of which have great natural resources, stable government and pro-gressive ideals, the apprehension which gave rise to the Monroe doctrine may be said to have nearly disappeared and nei-ther the doctrine as it exists nor any oth-er doctrine of American policy should be permitted to operate for the perpetuation of irresponsible government, the escape of just obligations or the insidious allega-tion of dominating ambitions on the part of the United States.

Beside the fundamental doctrines of our Pan-American policy there have grown up a realization of political interests, community of institutions and ideals and will be greatly strengthened as time goes on and increased facilities, such as the great bank soon to be established in Latin America, supply the means for ossal Intercontinenta building up the colossal commèrce of the future.

My meeting with President Diaz an My meeting with President Das and the greeting exchanged on both American and Mexican soil served, I hope, to signalize the close and cordial relations which so well bind together this republic and the great republic immediately to the south, between which there is so vast a

Washington, Dec. 7.—The president oddy transmitted to congress a mes-age substantially as follows: under the enlightened regime now direct-ing the government of Venezuela, provi-ation has been made for arbitration of the remaining case before The Hague tri-

> On July 30, 1909, the government of Panama agreed, after considerable nego-tation, to indemnify the relatives of the American officers and sailors who were brutally treated, one of them having, in-deed, been killed by the Panama police this year, #

> The sincere desire of the government of Panama to do away with a situation where such an accident could occur is manifest in the recent request in compliance with which this government has lent the services of an officer of the army to be employed by the government of Panama as instructor of police.

> Panama as instructor of police.
> This government was obliged to intervene diplomatically to bring about arbitration or estilement of the claim of the Emery Company against Nicaragua, which it had long before been agreed should be arbitrated. A settlement of this troublesome case was reached by the signature of a protocol on September 18, 1509.

Many years ago diplomatic intervention became necessary to the protection of the interests in the American claim of Alsop & Co. against the government of Chile. The government of Chile had frequently admitted obligation in the case and had promised this government to settle it. There had been two abortive attempts to do so through arbitral commissions, which falled through lack of jurisdiction. Now, happily, as the result of the recent diplomatic negotiations, the governments of the United States and of Chile, actuof the United States and of Chie, actu-ated by the sincere desire to free from any strain those cordial and friendly re-lations upon which both set such store, have agreed by a protocol to submit the controversy to definitive settlement by his Irritannic majesty, Edward VII.

Since the Washington conventions of 1997 were communicated to the govern-ment of the United States as a consulting and advisory party, this government has been almost continuously called upon has been almost continuously called upon by one or another, and in turn by all of the five Central American republics, to exert itself for the maintenance of the conventions. Nearly every complaint has been against the Zelaya government of Nicaragua, which has kept Central America in constant tension and turmoil. The responses made to the representa-tions of Central American republics, as due from the United States on account of its relation to the Washington convenof its relation to the Washington conventions, have been at all times conservative and have avoided, so far as possible, any semblance of interference, although it is very apparent that the considerations of ographic proximity to the Canal Zone and of the very substantial American inand of the very substantial American in-terests in Central America give to the United States a special position in the zone of these republics and the Carib-bean sea.

I need not rehearse here the patient ef-

forts of this government to promote peace and welfare among these republics, efforts which are fully appreciated by the majority of them, who are loyal to their true interests. It would be no less unnecessary to rehearse here the sad tale of unspeakable barbarities and oppression alleged to have been committed by the Zelaya government. Recently two Americans were put to death by order of President Zelaya himself. They were ofiution which had continued many weeks and was in control of about half of the republic, and as such, according to the modern enlightened practice of civilized nations, they were entitled to be dealt with as prisoners of war.

At the date when this message is print-At the date when this message is printed this government has terminated diplomatic relations with the Zelaya government, for reasons made public in a communication to the former Nicaragua charge d'affaires, and is intending to take such future steps as may be found most consistent with its dignity, its duty to

The Far East.

In the far east this government pre-serves unchanged its policy of support-ing the principle of equality of opportu-nity and scrupulous respect for the integ-rify of the Chinese empire, to which pollcy are pledged the interested powers of both east and west.

Mention is made of the sending of students to America by the Chinese government, of China's progress toward the eradication of the oplum evil, and of this government's continued cordial relations with the Japanese empire.

The Department of State.

Favorable action by congress on the estimates submitted by the department of state is urged, especially legis lation for the development and reor ganization of the department to make it efficient in furthering our foreign trade. Improvement in the consular

service is noted. Mr. Taft then says: Under a provision of the act of August 5, 1909, I have appointed three officials to assist the officers of the government in collecting information necessary to a wise administration of the tariff act of August 5, 1909. As to questions of customs administration they are cooperating with the officials of the treasury department and as to matters of the needs and the exigen-cies of our manufacturers and export-ers, with the department of commerce and labor, in its relation to the domes-tic aspect of the subject of foreign commerce. In the study of foreign tariff treatment they will assist the bureau of trade relations of the de-

bureau of trade relations of the de-partment of state. It is hoped thus to co-ordinate and bring to bear upon this most important subject all the agencies of the government which can contrib-ute anything to its efficient handling. As a consequence of Section 2 of the tariff act of August 5, 1909, it be-comes the duty of the secretary of state to conduct as diplomatic business all the negotiations necessary to place him in a position to advise me as to whether or not a particular country particular I am happy to say that all but one of unduly discriminates against the

the referred to. The great scope and complexity of this work, as well as the obligation to lend all proper aid to our expanding commerce, is met by the expansion of the bureau of trade relations as set forth in the estimates for the department of state.

Government Expenditures and Reve-

Perhaps the most important question presented to this administration is that of conomy is expenditures and suffi-ciency of revenue. The deficit of the last fiscal year, and the certain deficit of the current year, and the certain denot of the current year, prompted congress to throw a greater responsibility on the executive and the secretary of the treasury than had heretofore been de-clared by statute. This declaration imposes upon the secretary of the treasury the duty of assembling all the treasury the duty of assembling all the estimates of the executive departments bureaus, and offices, of the expenditures necessary in the ensuing facal year, and of making an estimate of the revenues of the government for the same period; and if a probable deficit is thus shown, it is made the duty of the president to recommend the method by which such deficit can be met.

that the ordinary expenditures for the current fiscal year ending June 30, 1910, will exceed the estimated receipts by 334,075,620. If to this deficit is added the num to be disbursed for the Pan-Canal, amounting to \$28,000 nd \$1,000,000 to be paid on the public lebt, the deneit of ordinary re and expenditures will be increased to a total deficit of \$75,075,520. This delicit the secretary proposes to meet by the proceeds of bonds issued to pay cost of constructing the Panama

the cost of constructing the Panama-Canal. I approve this proposal.

The policy of paying for the con-struction of the Panama Canal, not out of current revenue, but by bond issues, was adopted in the Spooner act of 1899, and there seems to be no good reason for departing from the prin-ciple by which a part at least of the burden of the cost of the canal shall fall upon our posterity who are to en-joy it; and there is all the more reaoy it; and there is all the more reson for this view because the actual cost to date of the canal, which is now half done and which will be completed anuary 1, 1915, shows that the cost of engineering and construction will be \$397.768,000, instead of \$139.705.200, as riginally estimated. In addition to engineering and construction, the other expenses, including sanitation and gov-rament, and the amount paid for the properties, the franchise, and the priviege of building the canal, increas cost of \$75.435,000, to a total of \$575,-201,000. The increase in the cost of engineering and construction is due to a substantial enlargement of the plan of construction by widening the canal 100 feet in the Culebra cut and by in-creasing the dimensions of the locks, to the underestimate of the quantity of the work to be done under the orig-tical plan, and to an underestimate of he cost of luber and materials, both of which have greatly enhanced in price since the original estimmate was made. In order to avoid a deficit for the ensuing fiscal year. I directed the heads of departments in the prepara-

tion of their estimates to make as low as possible consistent with im-perative governmental necessity. The result has been, as I am advised by the secretary of the treasury, that the es-timates for the expenses of the gov-ernment for the next fiscal year end-ing June 30, 1911, are less than the ap-propriations for this current fiscal year by \$42,818,000. So far as the sec-retary of the treasury is able to form a judgment as to future income and as low as possible consistent with im judgment as to future income and compare it with the expenditures for the next fiscal year ending June 30, 1911, and excluding payments on ac-count of the Panama Canal, which will doubtless be taken up by bonds, there will be a surplus of \$35,931,000.

In the present estimates the needs In the present estimates the needs of the departments and of the government have been cut to the quick, so to speak, and any assumption on the part of congress, so often made in times past, that the estimates have been prepared with the expectation that they may be reduced, will result in seriously hampering proper admin-

To reduce the cost of permanent administration, says the president, a thorough reorganization of bureaus, offices and departments would be necessary. An expert accountant has been making an investigation into this matter and the result of his work shows opportunity for both substanefficiency. Frauds in the Collection of Customs

I regret to refer to the fact of the disof extensive frauds in the collect covery of extensive frauds in the collec-tion of the customs revenue at New York city, in which a number of the subor-dinate employes in the weighing and other departments were directly con-cerned, and in which the beneficiaries were the American Sugar Refining Com were the American Sugar Renning Com-pany and others. The fraudés consisted in the payment of duty on underweights of sugar. The government has recovered from the American Sugar Refining Com-pany all that it is shown to have been defrauded of. The sum was received in full of the amount due, which might have been recovered by civil suit against the beneficiary of the fraud, but there was an express reservation in the contract of settlement by which the settlement should be a bright or present the settlement of the contract of settlement by which the settlement should be a bright or present the settlement.

settlement by which the settlement should not interfere with, or prevent the criminal prosecution of everyone who was found to be subject to the same.

Criminal prosecutions are now proceeding against a number of the government officers. The treasury department and the department of justice are exerting every effort to discover all the wrongdoers, including the officers and employes of the companies who may have been privy to the fraud. It would seem to me that an investigation of the frauds by congress at present, pending the probing by the treasury department and the department of justice, as proposed, might by giving immunity and otherwise prove an embarustice, as proposed, might by giving im-munity and otherwise prove an embar-assment in securing conviction of the

guilty parties. Maximum and Minimum Clause in

Tariff Act. Two features of the new tariff act call for special reference. By virtue of the clause known as the "maximum and min-imum" clause, it is the duty of the exec-utive to consider the laws and practices imum' clause, it is the duty of the executive to consider the laws and practices of other countries with reference to the importation into those countries of the products and merchandise of the United States, and if the executive finds such laws and practices not to be unduly discriminatory against the United States, the minimum duties provided in the bill are to go into force. Unless the president makes such a finding, then the maximum duties provided in the bill, that is, an increase of 25 per cent. ad valorem over the minimum duties, are to be in force. Fear has been expressed that this power conferred and duty imposed on the executive is likely to lead to a tariff war. I beg to express the hope and belief that no such result need be anticipated.

The discretion granted to the executive by the terms "unduly discriminatory" is wide. In order that the maximum duty shall be charged against the imports from

shall be charged against the imports from annu or charged against the inputs I had a country, it is nocessary that he shall find on the part of that country not only discriminations in its laws or the practice under them against the trade of the United States, but that the discriminations found shall be undue; that is, with the country of and fair research. out good and fair reason. I conceive

that this power was reposed in the presi-dent with the hope that the maximum du-ties might never be applied in any case, but that the power to apply them would enable the president and the state depart-

inatory. No one is seeking a lariff waror a condition in which the spirit of retaliation shall be sroused.

The new tariff law enables me to appoint a tariff board to assist me in connection with the department of state in
the administration of the minimum and
maximum clause of the act and also to
assist officers of the government in the
administration of the chilre law. An exmanifestion of the law and an understandadministration of the charte law. An ex-amination of the law and an understand-ing of the nature of the facts which should be considered in dischurg-ing the functions imposed upon the execu-tive show that I have the power to direct the tariff board to make a comprehensive glossary and encyclopedia of the terms used and articles embraced in the tarif used and articles embraced in the tariff, law, and to secure information as to the cost of production of such goods in this country and the cost of their production in foreign countries. I have therefore appointed a tariff board consisting of three members and have directed them to perform all the duties above described. This work will rections take two or three form all the duties above described. This work will perhaps take two or three years, and I ask from congress a continuing amual appropriation equal to that already made for its presecution. I believe that the work of this board will be of prime utility and importance whenever congress shall deem it wise again to readjust the customs duties. If the facts secured by the tarist board are of such a character as to show senserally that the secured by the tariff board are of such a character as to show generally that the rates of duties imposed by the present tariff law are excessive under the principles of protection as described in the platform of the successful party at the late election, I shall not hesitate to invite the attention of congress to this fact and to the necessity for action predicated thereon. Nothing, however, halts business and interferes with the course of prosperity so much as the threatened revision of the tariff, and until the facts are on of the tariff, and until the facts are at hand, after careful and deliberate inat hand, after careful and democrate in-vestigation, upon which such revision can properly be undertaken, it seems to me unwise to attempt it. The amount of mis-information that crosps into arguments pro and con in respect to tariff rates is such as to require the kind of investiga-tion that I have directed the tariff board to make an investigation undertaken by to make, an investigation undertaken by without respect to the effect

War Department.

War Department.

In the interest of immediate economy and because of the prospect of a deficit. I have required a reduction in the estimates of the war department for the coming fiscal year, which brings the total estimates down to an amount forty-five millions less than the corresponding estimates for last year. This could only be accomplished by cutting off new projects and suspending for the period of one year all progress in military matters. For the same reason I bave directed that the army shall not be recruited up to its present authorized strength. These measures can hardly be more than se measures can hardly be more than These measures can hardly be more than temporary—to last until our revenues are in better condition and until the whole question of the expediency of adopting a definite military policy can be submitted to congress, for I am sure that the interests of the military establishment are seriously in need of careful consideration by orress. The laws regulating the organ-tion of our armed forces in the event war need to be revised in order that e organization can be modified so as produce a force which would be more usistently apportioned throughout its numerous branches. To explain the cir-cumstances upon which this opinion is based would necessitate a lengthy discus-sion, and I postpone it until the first con-venient opportunity shall arise to send to ongress a special message upon this sub-

Of the changes recommended by the secretary of war, the president especially urges the passage of a bill that will permit the elimination of the less efficient officers. He concurs in the opinion of the military and naval joint board in favor of making an extensive naval base at Pearl Harbor, near Honolulu, and not in the Philip

The return of the battleship fleet from ts voyage around the world, in more ef-iclent condition than when it started, was a noteworthy event of interest alike to our citizens and the naval authorities of the world. Besides the beneficial and far-reaching effect on our personal and dipwhich the fleet visited, the marked sucess of the ships in steaming around the world in all weathers on schedule time has increased respect for our navy and has added to our national prestige.

Early in the coming session a compre nensive plan for the reorganization of the officers of all corps of the navy will be presented to congress, and I hope it will meet with action suited to its urgency. Owing to the necessity for economy in expenditures, I have directed the curtailment of recommendations for naval appropriations so that they are thirty-eight millions less than the corresponding estimates of last year, and the request for new naval construction is limited to two first-class battleships and one repair ves-

Mr. Taft urges upon congress that the naval observatory be dedicated to science under control of some emi-

Expedition in Legal Procedure.

The deplorable delays in the adminis-tration of civil and criminal law have re-ceived the attention of committees of the American Bar association and of many American Bar association and of many state bar associations, as well as the con-sidered thought of judges and jurists. In my judgment a change in judicial pro-cedure, with a view to reducing its ex-pense to private litigants in civil cases and facilitating the dispatch of business and final decision in both civil and crim-inal cases constitutes the greatest need in our American institutions. I do not doubt for one moment that much of the lawless violence and cruelty exhibited in lynchings is directly due to the uncertainties and injustice growing out of the delays in trials, judgments and the executions thereof by our courts. Of course these remarks apply quite as well to the administration of justice in state courts to the terror of the courts of the c as to that in federal courts, and without making invidious distinction it is perhaps not too much to say that, speaking generally, the defects are less in the federal courts than in the state courts. But they are very great in the federal courts. The expedition with which business is disposed of both on the civil and the criminal side of English courts under modern rules of procedure makes the delays in our courts seem archaic and barbarous. The procedure in the federal courts should furnish an example for the state courts. I presume it is impossible, as to that in federal courts, and without courts should furnish an example for the state courts. I presume it is impossible, without an amendment to the constitution, to unite under one form of action the proceedings at common law and proceedings in equity in the federal courts, but it is certainly not impossible by a statute to simplify and make short and direct the procedure both at law and in equity in those courts. It is not impossible to cut down still more than it is cut down, the jurisdiction of the supreme court, so as to confine it almost wholly to statutory and constitutional questions. statutory and constitutional questions. Under the present statutes the equity and admiralty procedure in the federal courts is under the control of the au-

preme court, but in the pressure of business to which that court is subjected it is impossible to hope that a radical and proper reform of the federal equity procedure can be brought about. I therefore recommend legislation providing for the appointment by the president of a commission with authority to examine the law and equity procedure of the federal courts of first instance, the law of appeals from those courts to the courts of appeals and to the supreme court, and the costs imposed in such procedure upon the private litigants and upon the public treasury and make recommendations with a private stigants and upon the points team ury and make recommendations with a view to simplifying and expediting the procedure as far as possible and making it as inexpensive as may be to the liti-gant of little means.

Injunctions Without Notice. The platform of the successful party in the last election contained the following: the last election contained the following:

'The Republican party will upheld at all times the authority and integrity of the courts, state and federal, and will ever insist that their powers to enforce their process and to protect life, liberty and property shall be preserved inviolate. We believe, however, that the rules of procedure in the federal courts with respect to the lesuance of the writ of injunction should be more accurately defined by statute and that no injunction or temporary restraining order should be issued without notice, except where irreparable injury would result from delay, in which case a speedy hearing thereafter should be granted.'

I recommend that in compliance with I recommend that in compliance

the promise thus made appropriate legis-lation be adopted. The ends of justice will best be met and the chief cause of complaint against ill-considered injunc-tions without notice will be removed by the enactment of a statute forbidding hereafter the issuing of any injunction or restraining order, whether temporary or permanent, by any federal court, without previous notice and a reasonable opportunity to be heard on behalf of the parties to be enjoined; unless it shall ap-pear to the satisfaction of the court that pear to the satisfaction of the court the the delay necessary to give such notice and hearing would result in irreparable injury to the complainant and unless also the court shall from the evidence make a written finding, which shall be spread upon the court minutes, that immediate upon the court minutes, that immediate and irreparable injury is likely to ensue to the complainant, and shall define the injury, state why it is irreparable and shall also indorse on the order issued the date and the hour of the issuance of the order. Moreover, every such injunction or restraining order issued without previous notice and opportunity by the defondant to be hard should by force of the statute expire and be of no effect after seven days from the issuance thereof or within any time less than that period which the court may fix, unless within such seven days or such less period the injunction or order is extended or renewed after previous notice and opportunity to be heard.

My judgment is that the passage of such an act which really embodies the best practice in equity and is very like the rule now in force in some courts will prevent the issuing of ill-ndvised orders of injunction without notice and will render such orders when issued much less objectionable by the short time in which they may remain effective.

New Laws Needed. and irreparable injury is likely to ensue

New Laws Needed. The jurisdiction of the general government over interstate commerce has led to the passage of the so-called "Sherman anti-trust law" and the "interstate commerce law" and its amendments. The developments in the operfor a discussion and some suggestions s to amendments. These I prefer to ambody in a special message instead of including them in the present com-munication, and I shall avail may elf of the first convenient opportunity to oring these subjects to the attention of

Second-Class Mall Matter.

The deficit every year in the postffice department is largely caused by office department is largely caused by the low rate of postage of 1 cent a pound charged on second-class malimatter, which includes not only newspapers but magazines and miscellaneous periodicals. The actual loss growing out of the transmission of this second-class mail matter at 1 cent a pound amounts to about \$62.000,000 a year. The average cost of the transportation of this matter is more than 9 cents a nound. cents a pound.

It appears that the average distance over which newspapers are delivered to their customers is 291 miles, while the average haul of magazines is 1,049. and of miscellaneous periodicals 1,128 miles. Thus, the average haul of the magazine is three and one-half times and that of the miscellaneous periodical nearly four times the haul of the daily newspaper, yet all of them pay the same postage rate of 1 cent a pound. The statistics of 1907 show that second-class mail matter consti-tuted 63.91 per cent of the weight of all the mail, and yielded only 5.19 per

ent of the revenue. The figures given are startling, and of an enormous subsidy to the newsof an enormous subsidy to the news-papers, magazines and periodicals, and congress may well consider whether radical steps should not be taken to reduce the deficit in the post-office de-partment caused by this discrepancy between the actual cost of transporta-tion and the compensation exacted therefor.

therefor.

A great saving might be ma-amounting to much more than half the loss, by imposing upon magazines and periodicals a higher rate of postsge. They are much heavier than newspapers, and contain a much higher proportion of advertising to reading matter, and the average distance of their transportation is three and a half

times as great. times as great.

The total deficit for the last fiscal year in the postoffice department amounted to \$17,500,000. The branches of its business which it did at a loss were the second-class mail service, in which the loss, as already said, was \$63,000,000, and the free rural delivery in which the loss was \$25,000,000. These losses were in part offset by the losses were in part offset by the profits of the letter postage and other sources of income. It would to the extent of preventing a in the total operations of the post-

gress, not unmindful of the spread o intelligence which a low charge for carrying newspapers and periodicals assists. I very much doubt, however, the wisdom of a policy which constitutes so large a subsidy and requires additional taxation to meet it.

Postal Savings Banks. Postal Savings Banks.

The second subject worthy of mention in the postoffice department is the real necessity and entire practicability of establishing postal savings banks. The successful party at the last election declared in favor of postal savings banks, and although the proposition finds opponents in many parts of the country. I am convinced that the people desire such banks, and am sure that when the banks are furnished they will be productive of the utmost good. The postal savings banks are not constituted for the purpose of cregood. The postal savings banks are not constituted for the purpose of cre-ating competition with other banks. The rate of interest upon deposits to which they would be limited would be so small as to prevent their drawing deposits away from other banks,

order to offer a proper inducement to thrift and saving to a great many people of small means who do not now have banking facilities, and to whom such a system would offer an opportunity for the socumulation of capital. They will furnish a satisfactory substitute based on sound selections and the second of th capital, ray will turning a stream tory substitute, based on sound prin elple and actual successful trial is nearly all the countries of the world for the system of government guaranty of deposits now being adopted in everal western states, which deference to those who advocate seems to me to have in it the seeds of demoralization to conservative banking and certain financial disaster.

Ship Subsidy.

Following the course of my distinguished predecessor, I earnestly recommend to congress the consideration and passage of a ship subsidy bill, looking to the establishment of lines between our Atlantic seaboard and the eastern coast of South America, as well as lines from the west coast of the United States to South America, China, Japan and the Philippines. The crofits on foreign mails are perhaps a profits on foreign mails are perhaps a sufficient measure of the expenditures which might first be tentatively ap-plied to this method of inducing American capital to undertake the es-tablishment of American lines of steamships in those directions in which we now feel it most important that we ould have means of transportation atrolled in the interest of the expan-

ion of our trade. The president recommends the admission of New Mexico and Arizona as separate states, and strongly opposes legislation looking to the election of a territorial legislature for

Conservation of National Resources. In several departments there is present-ed the necessity for legislation looking to the further conservation of our national resources, and the subject is one of such importance as to require a more detailed and extended discussion than can be entered upon in this communication. For that reason I shall take an early oppor-tunity to send a special message to con-gress on the subject of the improvement of our waterways, upon the reclamation and irrigation of arid, semi-arid, and swamp lands; upon the preservation of our forests and the reforesting of suitable areas; upon the reclassification of the public domain with a view of separative from archiversultural actionment, in arating from agricultural settlement mineral, coal, and phosphate lands and sites

The White Slave Trade.

I greatly regret to have to say that the I greatly regret to have to say that the investigations made in the bureau of immigration and other sources of information lead to the view that there is urgent necessity for additional legislation and greater executive activity to suppress the cruiting of the ranks of prostitutes from recruiting of the ranks of prostitutes from the streams of immigration into this country—an evil which, for want of a bet-ter name, has been called "The White Slave Trade." I believe it to be constitu-tional to forbid, under penalty, the transtional to formid, under penalty, the trains portation of persons for purposes of prostitution across national and state lines and by appropriating a fund of \$50,000 to be used by the secretary of commerciand labor for the employment of special inspectors it will be possible to bring those responsible for this trade to indict the contract and contract the second se ment and conviction under a federal law

Bureau of Health.

For a very considerable period a move nent has been gathering strength, espeially among the members of the medi call profession, in favor of a concentra-tion of the instruments of the national government which have to do with the promotion of public health. In the natura-of things, the medical department of the army and the medical department of the navy must be kept separate. But ther seems to be no reason why all the other bureaus and offices in the general gov-ernment which have to do with the pub-lic health or subjects akin thereto should not be united in a bureau to be called the "bureau of public health." This woul necessitate the transfer of the marine hospital service to such a bureau. I at aware that there is a wide field in re spect to the public health committed to the states in which the federal government cannot exercise jurisdiction, but we have seen in the agricultural department the expansion into widest usefulness of a department giving attention to agriculture when that subject is plainly one of stock and the solution of many of the intricate problems in progressive agriculture have demonstrated the wisdom of establishing that department. Similar reasons, of equal force, can be given for the establishment of a bureau of health that shall not only exercise the police jurisdiction of the federal government respective quarantine, but which shall also specting quarantine, but which shall also afford an opportunity for investigation and research by competent experts into questions of health affecting the whole country, or important sections thereof, questions which, in the absence of federal governmental work, are not likely to be promptly solved.

Political Contribution.

I urgently recommend to congress that a law be passed requiring that candi-dates in elections of members of the house of representatives and committees in charge of their candidacy and camaign file in a proper office of the United States government a statement of the contributions received and of the expan-ditures incurred in the campaign for such elections and that similar legislation be enacted in respect to all other elections which are constitutionally within the

control of congress.

Conclusion.

I have thus, in a message compressed as much as the subjects will permit, re-ferred to many of the legislative needs of the country, with the exceptions al-ready noted. Speaking generally, the country is in a high state of prosperity. country is in a high state of prosperity.

There is every reason to believe that we are on the eve of a substantial business expansion and we have just garnered a harvest unexampled in the market value of our agricultural products. The high prices which such products bring mean great prosperity for the farming com-munity, but on the other hand they mean a very considerably increased bur-den upon those classes in the commu-nity whose yearly compensation does not expand with the improvement in business and the general prosperity. Various reasons are given for the high prices. The proportionate increase in the output of gold, which to-day is the chief medium of exchange and is in some respects a measure of value, furnishes a substantial explanation of at least part of the increase in prices. The increase in population and the more expensive mode of living of the people, which have not been accompanied by a proportionate increase in acreage production, may furnish a further reason. It is well to note that the increase in the cost of living is not confined to this country, but prevails the world over and that those who would charge increases in prices to the existing protective tariff must meet the fact that the rise in prices has taken place almost ness and the general prosperity. wholly in those products of the fact that the rise in prices has taken place almos wholly in those products of the factor; and farm in respect to which there has been either no increase in the tariff or it many instances a very considerable reduction.

The White House, December 7, 1909.

Economic Anesthesia. A Missouri dentist says rosewater is as good as cocaine to inject into gums for painless tooth pulling, and asserts that all that is needed is to make the patient believe it will not hurt and he will feel no pain. This economical tip might also be used to advantage by physicians applying the radium treatment.

New Life-Saving Apparatus. A Scotchman has invented a nev life-saving apparatus which is capable of throwing a line half a mile.

NEW RAILWAYS IN CENTRAL CANADA

AMERICAN SETTLERS WELCOME AND DOING WELL.

The Portland Oregonian, of Portland, Oregon, published a cartoon on the immigration of U.S. people to Canada, in its issue of October 5, 1909. The picture was accompanied by the following article:

"Losing American Citizens. The exodus of American farmers to Canada continues to be a phenomenon of the first importance. More of them are crossing the border this fall than ever before, and they are flocking from all parts of the country. Formerly it was the Middle West alone which thus lost the heart of its citizenship. Now all sections of the Union suffer alike. The regret which we cannot help feeling over the migration of many thousands of excellent citizens has an economic side which causes some concern. The 70,000 farmers who will go to Canada to live this fall will take with them some \$70,000,000 in cash and effects. This is by no means a negligible sum, and makes a very appreciable drain on our resources. But, of course, the most serious loss is the men themselves and their families, who have forsaken the land of the free and the home of the brave to dwell under the rule of a monarch.

Why do they go? Naturally the cheap and fertile land of Western Canada attracts them. Each emigrant goes with a reasonable expectation of bettering his fortune. Indeed, in a few years he may grow rich through the abundant crops he can raise and the increase of land values. But perhaps that is not the sole reason for the astonishing migration. There is a common notion abroad that in Canada life and property are appreciably belonging to the government bordering on atreams suitable for the utilization of water power.

and alife and property are appreciably safer than they are here. Murders are not so frequent, and are more speedily and surely punished. Mobs and the so-called 'unwritten law' are virtually unknown in Canada. Again he law is a vastly more ascertainable entity there. Canada does not permit its judges to veto acts of the legislative body. When a statute has been enacted it is known to be the law of the land until it is repealed. this naturally imparts to Canadian civilization a security and stability which we have not yet attained.

"We must remember, in the same connection, that the Canadian protective tariff is far less exorbitant than ours, and much less boldly arranged for the benefit of special favorites. Hence there is an impression, very widely diffused, that the Canadians are not so wickedly robbed by the trusts as we are in this country. Reaons like these sufficiently account for the exodus of a body of citizens, whom we can ill afford to lose, but they do not much assuage our regret that they cannot be retained in the United

Speaking of this, a Canadian Government representative says that the Americans who cross the border are most welcome. The splendid areas of virgin soil, a large quantity of which is given away as free homesteads, lie close to existing railways and to those under construction. The railway lines. that are assisting in this development are the Canadian Pacific, the Canadian Northern and the Grand Trunk Pacific. The latter is built entirely on over which the states properly exercise direct jurisdiction. The opportunities of-fered for useful research and the spread to the cultivation of the soil and the breeding search of American settlers have made of Ameri wonderful stretch of land. Along this sands of American settlers have made their homes. They have built the towns, and immediately began as factors in the building up of the great

Agents of the Government are located in various cities throughout the United States who will be pleased to give any information that may be degired to further the interest of the

THE NEW DISH.



"Well, sir, it used to be called ice

pudding, but now it is known as the

north pole, or the Cook's Surprise." BACKACHE IS KIDNEYACHE.

Usually There Are Other Troubles to

Prove It. Pain in the back is pain in the kidneys, in most cases, and it points to

the need of a special remedy to remove and cure the congestion or inflammation of the kidneys that is interfering with their work and causing that pain that makes you say: "Oh, my back." Thompson Wat-

kins, professional nurse, 420 N. 23rd St., Parsons, Kan., says: "For some

time I was annoyed with sharp twinges across the small of my back and irregular passages of the kidney secre tions. Since using Doan's Kidney Pills,

I am free from these troubles." Remember the name-Doan's. Sold by all dealers, 50 cents a box. Foster-Milburn Co., Buffalo, N. Y.

A diminutive miss insisted upon

helping her mother in putting up preserves. "Run away, there is nothing you can do," said mother. "Yes I could," persisted the child. "I could unbutton the cherries for you.

Dr. Pierce's Pleasant Pellots regulate and invis-orate atomach, liver and Bowels, Sugar-costed, tiny granules. Easy to take as candy,

It is usually costly to follow cheap

Men Not Heroes in Dreams.

sion at the club lunch, and one man remarked that no man dreamed of himself as braver than he is. When the dream came, the dreamer was always the under dog. He was in horrible danger, and never did anything picturesque to face it. There may be men who are brave in their sleep. But it would be interesting to find one man outside of the dozen sleeping cowards who is a hero in a dream .-

Great Britain's Meat Trade.

More lard, according to the British returns is imported into Great Britain from this than from any other country-\$18,000,000 worth in 1908. The same is true of bacon-\$30,000, 000 worth, and of hams, \$11,000,000 worth. Australia has Great Britain's mutton trade. In 1908 Great Britain's total imports of provisions reached a value of \$425,000,000, of which the United States supplied \$86,500,000

Columbia university boys have ta

southern United States, celebrated in a popular negro melody as a paradise

of luxurious ease and enjoyment. The melody was adopted as a favorite tune of the confederate armies during the civil war, because it was catchy and

ken a step in the matter of reform

that will meet with commendation.

of moving pictures an inventor has applied the principle of the stereo scope, the picture being thrown on the screen by two lenses, in front of which shutters open and close alternately so rapidly that there is no break in the

The coal production of France is insufficient for her needs, although in the last ten years it has increased from 30,000,000 to 36,000,000 tons.

Three-year-old Louise, when riding To get rid of the fluttering effect

on a rapidly moving electric car, gazed intently out of the window a few moments, then exclaimed: "Mother, just look at the sticks (telephone poles) running home!"-The Delinea-

Great American Industry. During the last two years the oil production has doubled in America. The production is \$16,000,000 greater than the output of gold and silver in